



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-3259/P1  
EHS&MGG:kjfrs

File P2  
RMR

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

Due 2/10 or 10:00 a.m.,  
2/11

D-NOTE

~~NOW~~

Regn

1 AN ACT *to repeal* 563.04 (14), 563.905 (intro.), 563.93 (2), 563.93 (2m), 563.93 (4)  
2 (b), 563.93 (8), 563.93 (9), 563.935 (3), 563.98 (1) (e), 563.98 (1c), 563.98 (1m) and  
3 563.98 (2); *to renumber* 563.90 and 563.93 (3); *to renumber and amend*  
4 563.905 (1), 563.905 (2), 563.92 (1m), 563.93 (1), 563.93 (1s), 563.93 (4) (a),  
5 563.93 (4m), 563.93 (5), 563.93 (6), 563.93 (7) and 563.97; *to amend* 563.02 (1),  
6 563.03 (4m), 563.04 (2), 563.04 (3), 563.05 (2), 563.05 (3), 563.05 (4), 563.10,  
7 563.91, 563.92 (2), 563.92 (4), 563.93 (intro.), 563.95, 563.98 (1) (intro.) and  
8 563.98 (1g); *to repeal and recreate* 563.05 (title); and *to create* 563.02 (1m),  
9 563.03 (12r), 563.03 (14w), 563.05 (4m), 563.92 (1m) (b) 2., 563.93 (2g), 563.93  
10 (2g) (g), 563.93 (2g) (h), 563.93 (2r), 563.93 (3e), 563.93 (3m), 563.935 (1m),  
11 563.97 (2) and 563.98 (1e) of the statutes; **relating to:** the regulation of raffles.

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***Analysis by the Legislative Reference Bureau***

Under current law, a not-for-profit, religious, charitable, service, fraternal, or veterans organization that serves a geographic area that is limited to Wisconsin and that has existed for at least one year or is chartered by a state or national organization that has existed for at least three years may obtain a license to conduct

raffles. Also under current law, an organization with a Class A raffle license may sell raffle tickets up to 270 days before the day of a raffle drawing, may sell equal shares of a single ticket to one or more purchasers, and may conduct either single-event raffles or calendar raffles. A calendar raffle is one for which a drawing is held and a prize awarded on each date specified in a calendar. An organization with a Class A raffle license may charge up to \$100 for a single-event raffle ticket and up to \$10 for each month covered by a calendar raffle. Under a Class B raffle, tickets may be sold only on the day of the drawing and may cost no more than \$10 each. An organization with a raffle license may conduct no more than 200 single-event raffles and no more than one calendar raffle in a 12-month period. Current law requires the Department of Administration (DOA) to promulgate rules relating to the conduct of raffles.

INSERT A → This bill <sup>also</sup> makes various <sup>other</sup> changes to current law relating to the conduct of raffles, including the following: 1) removes limits on the prices of raffle tickets and calendars; 2) removes DOA's authority to promulgate rules relating to raffles; 3) prohibits the sale of equal shares of a single Class A raffle ticket; 4) increases to one year the time before a Class A raffle drawing during which tickets may be sold; 5) increases the number of single-event raffles an organization may conduct in one year to 365; and 6) allows Class B raffle tickets to be sold before the day of a drawing if the tickets are not delivered to purchasers until the day of the drawing.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

✓

1 SECTION 1. 563.02 (1) of the statutes is amended to read:

2 563.02 (1) All phases of the conduct of bingo and raffles, except bingo games  
3 using free cards and donated prizes for which no payment of consideration is made  
4 by participants, should be closely controlled by appropriate laws and rules, which  
5 should be ~~strictly and~~ uniformly enforced throughout this state.

6 SECTION 2. 563.02 (1m) of the statutes is created to read:

7 563.02 (1m) All phases of the conduct of raffles should be closely controlled by  
8 appropriate laws, which should be ~~strictly and~~ uniformly enforced throughout this  
9 state.

✓

10 SECTION 3. 563.03 (4m) of the statutes is amended to read:

1 563.03 (4m) "Calendar raffle" means a raffle for which a drawing is held and  
2 a prize awarded on each date specified in a calendar as a date upon which a prize will  
3 be awarded.

4 SECTION 4. 563.03 (12n) of the statutes is created to read:

5 563.03 (12n) "Raffle ticket" means an instrument that entitles the purchaser  
6 to one entry in a (single-event) raffle other than a calendar raffle

7 SECTION 5. 563.03 (14w) of the statutes is created to read:

8 563.03 (14w) "Single-event raffle" means a raffle for which only one drawing  
9 is held.

10 SECTION 6. 563.04 (2) of the statutes is amended to read:

11 563.04 (2) Conduct hearings on the suspension or revocation of a license for  
12 violation of this chapter or any applicable rules promulgated under it.

13 SECTION 7. 563.04 (3) of the statutes is amended to read:

14 563.04 (3) Promulgate rules under ch. 227 relating to the issuance, renewal,  
15 amendment, suspension, and revocation of bingo and raffle licenses and the conduct  
16 of bingo under this chapter.

17 SECTION 8. 563.04 (14) of the statutes is repealed.

18 SECTION 9. 563.05 (title) of the statutes is repealed and recreated to read:

19 **563.05 (title) Departmental duties; powers; prohibitions.**

20 SECTION 10. 563.05 (2) of the statutes is amended to read:

21 563.05 (2) The department may promulgate rules requiring holders of licenses  
22 issued under this chapter subch. III to post a notice in a conspicuous place where a  
23 bingo occasion or raffle drawing is conducted describing the procedures for filing a  
24 complaint against the holder.

25 SECTION 11. 563.05 (3) of the statutes is amended to read:

1           563.05 (3) The department may promulgate rules specifying the number of  
2 business days within which the department must review and make a determination  
3 on an application for a ~~permit, as defined in s. 227.116 (1g),~~ license that is issued  
4 under ~~this chapter~~ subch. III.

5           **SECTION 12.** 563.05 (4) of the statutes is amended to read:

6           563.05 (4) The department may promulgate rules ~~defining~~ relating to bingo  
7 that establish procedures to be used by the department for receiving, filing, and  
8 investigating complaints, for commencing disciplinary proceedings, and for  
9 conducting hearings ~~under this chapter~~.

10          **SECTION 13.** 563.05 (4m) of the statutes is created to read:

11          563.05 (4m) Notwithstanding s. 227.11, the department may not promulgate  
12 or enforce any rule that interprets the provisions under subch. VIII or any other  
13 provisions under this chapter that relate to raffles.

14          **SECTION 14.** 563.10 of the statutes is ~~amended~~ <sup>✓</sup> to read:

15          **563.10 Rules governing commingling of receipts restricted.**  
16 ~~Notwithstanding ss. 227.11 (2), 227.24 (1) (a) and 563.04 (3), the~~ The department  
17 may not promulgate any ~~emergency~~ rule relating to the commingling of bingo and  
18 raffle receipts ~~unless it can clearly establish that commingling will occur without~~  
19 ~~such rule and that the rule will effectively prevent commingling. The department~~  
20 ~~shall set forth any such finding in its proposed rule. If upon review under s. 227.40,~~  
21 ~~the court finds that the finding of fact upon which any emergency rule relating to~~  
22 ~~such commingling is based is unsupported by clear and convincing evidence, the rule~~  
23 ~~is invalid.~~

\*\*\*\*NOTE: Is the above treatment consistent with your intent?

24          **SECTION 15.** 563.90 of the statutes is renumbered 563.90 (1).

1           **SECTION 16.** 563.905 (intro.) of the statutes is repealed.

2           **SECTION 17.** 563.905 (1) of the statutes is renumbered 563.90 (2) and amended  
3 to read:

4           563.90 (2) ~~"Local organization" means an organization whose~~ To qualify as a  
5 local organization under this section, an organization's activities are must be limited  
6 to this state, to a specific geographical area within this state, or to a specific  
7 geographical area that is partly within this state and partly within another state.

8           **SECTION 18.** 563.905 (2) of the statutes is renumbered 563.90 (3), and 563.90  
9 (3) (intro.), as renumbered, is amended to read:

10          563.90 (3) (intro.) ~~"Service organization" includes all~~ To qualify as a service  
11 organization under this section, an organization must be one of the following:

12          **SECTION 19.** 563.91 of the statutes is amended to read:

13          **563.91 Limit.** No qualified organization under s. 563.90 may conduct more  
14 than 200 ~~365 (single-event)~~ raffles or more than one calendar raffle during a year.

15          **SECTION 20.** 563.92 (1m) of the statutes is renumbered 563.92 (1m) (a) and  
16 amended to read:

17          563.92 (1m) (a) The department may issue a Class A license for the conduct of  
18 a raffle in which some or all of the tickets for that raffle are sold on days other than  
19 the same day as the raffle drawing and in which equal shares of a single ticket may  
20 be sold to one or more purchasers. plain

21          (b) The department may issue a Class B license for the conduct of a raffle in  
22 which all either of the following applies:

23          1. All of the tickets for ~~that~~ <sup>the</sup> raffle are sold on the same day as the raffle drawing.

24          **SECTION 21.** 563.92 (1m) (b) 2. of the statutes is created to read:

1 563.92 (1m) (b) 2. If tickets for <sup>the</sup> that raffle are sold on more than one day, the  
2 organization only distributes tickets to purchasers at the event at which the drawing  
3 will take place.

4 SECTION 22. 563.92 (2) of the statutes is amended to read:

5 563.92 (2) The fee for a raffle license shall be \$25 and shall be remitted with  
6 the application. A raffle license shall be valid for 12 months and may be renewed as  
7 provided in s. 563.98 (1g). The department shall issue the license within 30 days  
8 after the filing of ~~an~~ a complete application if the applicant qualifies under s. 563.90  
9 and has not exceeded the limits of s. 563.91. The department shall notify the  
10 applicant if the raffle license application is incomplete within 15 days after it is filed  
11 or the application shall be considered complete. A complete license application that  
12 is not denied within 30 days after its filing shall be considered approved. All moneys  
13 received by the department under this subsection shall be credited to the  
14 appropriation account under s. 20.505 (8) (j).

15 SECTION 23. 563.92 (4) of the statutes is amended to read:

16 563.92 (4) ~~Proceedings to~~ conduct proceedings to ~~The department may~~ suspend or revoke ~~a~~ an  
17 organization's license to conduct raffles ~~shall be initiated by the department~~  
18 ~~pursuant to the rules promulgated under s. 563.05 (4) for failing to comply with the~~  
19 requirements of this subchapter.

20 SECTION 24. 563.93 (intro.) of the statutes is amended to read:

21 **563.93 The conduct of raffles under a Class A license.** (intro.) An  
22 organization with a Class A raffle license may conduct <sup>S</sup> a single-event raffle or a  
23 calendar raffle. All of the following shall apply to the conduct of a raffle under a Class  
24 A license:

(intro.), (e) and

1 SECTION 25. 563.93 (1) of the statutes is renumbered 563.93 (1m), and 563.93  
2 (1m) (f), as renumbered, <sup>are</sup> is amended to read:

3 563.93 (1m) (f) A list of each prize to be awarded ~~which~~ that has a retail fair  
4 market value of \$500 \$1,000 or more.

5 SECTION 26. 563.93 (1s) of the statutes is renumbered 563.93 (2g) (e) and  
6 amended to read:

7 563.93 (2g) (e) ~~Each raffle ticket and each calendar sold by an organization~~  
8 ~~shall include a separate~~ Print an identification number, ~~printed~~ on both the  
9 purchaser's and the organization's portion of the (raffle) ticket or calendar. The  
10 tickets or calendars shall be numbered consecutively in relation to the other tickets  
11 or calendars for the same drawing.

12 SECTION 27. 563.93 (2) of the statutes is repealed.

13 SECTION 28. 563.93 (2g) <sup>(intro.), (a), (b), (g) and (h)</sup> of the statutes <sup>are</sup> is created to read:

14 563.93 (2g) <sup>(intro.)</sup> An organization <sup>that conducts a</sup> conducting a Class A raffle license shall do all of  
15 the following:

16 (a) Prominently display, at each place where tickets may be purchased, a notice  
17 describing any state or federal law that imposes <sup>an age</sup> a restriction on who may possess a  
18 prize that will be awarded in the raffle.

19 (b) Make a good faith effort to award all of the prizes offered for a raffle. If the  
20 organization is unable to award a prize, it may hold the prize and use it for future  
21 fund-raising purposes.

22 SECTION 29. 563.93 (2g) (g) of the statutes is created to read:

23 563.93 (2g) (g) Place the organization's portion of the ticket or calendar in the  
24 drawing container prior to the time of the drawing.

25 SECTION 30. 563.93 (2g) (h) of the statutes is created to read:

① 563.93 (2g) (h) Retain the organization's portion of each raffle ticket or  
2 calendar sold for one year after the date on which the drawing is held and provide  
3 any of these portions to the department upon request.

4 SECTION 31. 563.93 (2m) of the statutes is repealed.

5 SECTION 32. 563.93 (2r) of the statutes is created to read:

6 563.93 (2r) An organization that conducts a calendar raffle shall do all of the  
7 following:

8 (a) Print identical drawing dates and identical prize amounts for each drawing  
9 on every calendar sold.

10 (b) After holding a drawing, replace the winning tickets into the container to  
11 allow the purchasers the chance to win again in subsequent drawings.

12 SECTION 33. 563.93 (3) of the statutes is renumbered 563.93 (1e).

13 SECTION 34. 563.93 (3e) of the statutes is created to read:

14 563.93 (3e) An organization that conducts a raffle under a Class A raffle license  
15 may not do any of the following:

16 (a) Permit another organization or individual to use its license to conduct a  
17 raffle.

18 (b) Resell a ticket or calendar.

19 SECTION 35. 563.93 (3m) of the statutes is created to read:

20 563.93 (3m) An organization that conducts a calendar raffle may not do any  
21 of the following:

22 (a) Sell any calendars after holding the first drawing.

23 (b) Change the dates of any drawings or the amounts of any prizes designated  
24 on the calendar after the first calendar is sold.



1           **SECTION 36.** 563.93 (4) (a) of the statutes is renumbered 563.93 (3e) (c) and  
2 amended to read:

3           563.93 (3e) (c) ~~Except as provided in par. (b), Offer~~ tickets for a proposed raffle  
4 ~~may not be offered~~ for sale more than 270 days one year before the raffle drawing.

5           **SECTION 37.** 563.93 (4) (b) of the statutes is repealed.

6           **SECTION 38.** 563.93 (4m) of the statutes is renumbered 563.93 (2g) (c) and  
7 amended to read:

8           563.93 (2g) (c) ~~The organization that conducts a raffle under a Class A license~~  
9 ~~shall provide~~ Provide the purchaser of a ~~raffle~~ ticket or calendar with the purchaser's  
10 portion of the ticket or calendar at the time of purchase or at any time before the raffle  
11 drawing, ~~but need not provide it to the purchaser at the time of purchase.~~

12           **SECTION 39.** 563.93 (5) of the statutes is renumbered 563.93 (2g) (d) and  
13 amended to read:

14           563.93 (2g) (d) ~~All Hold all~~ raffle drawings shall be held in public.

15           **SECTION 40.** 563.93 (6) of the statutes is renumbered 563.93 (3e) (d) and  
16 amended to read:

17           563.93 (3e) (d) ~~All prizes shall be awarded. The~~ Require the purchaser of a  
18 ticket or calendar ~~need not to~~ be present at the drawing to win a prize.

19           **SECTION 41.** 563.93 (7) of the statutes is renumbered 563.93 (2g) (f) and  
20 amended to read:

21           563.93 (2g) (f) ~~If a raffle drawing is canceled, the organization shall refund the~~  
22 receipts to the ticket or calendar purchasers. The organization may not deduct from  
23 the refund a handling charge or other amount relating to the expense incurred in the  
24 sale of a raffle ticket or calendar. The organization may not reclaim any prize

*Refund raffle drawing*

*if a raffle drawing is canceled*

1 awarded in a drawing that has already been held at the time a calendar raffle is  
2 canceled *plain*

\*\*\*\*NOTE: "Drawing" is stricken because an organization can only cancel a calendar raffle drawing by canceling the entire calendar raffle (because a drawing date cannot be changed under the new s. 563.93 (3m) (b)), and a single-event raffle, by definition, has only one drawing, so canceling the drawing effectively cancels the raffle.

\*\*\*\*NOTE: I assumed that a calendar raffle can be canceled after one or more drawings have been held as long as the purchasers are fully refunded. Because a calendar raffle might be canceled after prizes have been awarded, I also added that any prize already awarded in a drawing prior to the cancellation may not be reclaimed. Let me know if this is not consistent with your intent.

3 SECTION 42. 563.93 (8) of the statutes is repealed.

4 SECTION 43. 563.93 (9) of the statutes is repealed.

5 SECTION 44. 563.935 (1m) of the statutes is created to read:

6 563.935 (1m) If state or federal law places *manage* a restriction on who may possess any  
7 any prize that will be awarded for a raffle, the organization conducting the raffle  
8 shall prominently display a notice describing the restriction at each place where  
9 tickets may be purchased.

10 SECTION 45. 563.935 (3) of the statutes is repealed.

11 SECTION 46. 563.95 of the statutes is amended to read:

12 **563.95 Denial of application; hearing.** Within 30 days after receiving  
13 written notification of a denial by the department of a license to conduct a raffle, an  
14 applicant may demand in writing a hearing before the department upon the  
15 applicant's qualifications and the merit of the application. ~~At the hearing, the~~  
16 ~~burden of proof shall be on the applicant to establish eligibility for a license.~~ If, after  
17 the hearing, the department enters an order denying the application, the order shall  
18 set forth in detail the reasons for the denial. Upon entry of such an order or upon  
19 expiration of the 30-day period during which a hearing may be demanded, the

1 applicant's license fee shall be refunded. If the department approves the application,  
2 the department shall issue the license within 14 days after approval.

3 **SECTION 47.** 563.97 of the statutes is renumbered 563.97 (1) and amended to  
4 read:

5 563.97 (1) Each organization licensed to conduct raffles shall maintain a list  
6 of the names and addresses of all persons winning prizes with a ~~retail~~ fair market  
7 value of ~~\$100~~ \$600 or more, and the prizes won, for at least 12 months after each  
8 raffle is conducted. The list shall be available at reasonable times for public  
9 examination and shall be provided to the department upon request.

10 **SECTION 48.** 563.97 (2) of the statutes is created to read:

11 563.97 (2) An organization licensed to conduct raffles shall keep an electronic  
12 or paper copy of its license that is available for any person to inspect upon request  
13 at the event during which a drawing is held.

14 **SECTION 49.** 563.98 (1) (intro.) of the statutes is amended to read:

15 563.98 (1) (intro.) Each organization licensed under this subchapter shall, on  
16 or before the last day of the 12th month beginning after the date on which the license  
17 is issued and on or before that same date in each subsequent year, prepare and make  
18 available for inspection a report containing the following information in writing to  
19 ~~the department~~ regarding the raffles ~~which~~ that it has conducted during the previous  
20 12 months:

21 **SECTION 50.** 563.98 (1) (e) of the statutes is repealed.

22 **SECTION 51.** 563.98 (1c) of the statutes is repealed.

23 **SECTION 52.** 563.98 (1e) of the statutes is created to read:

24 563.98 (1e) The department shall request a copy of a report prepared under  
25 sub. (1) only upon the receipt of a complaint regarding the conduct of a raffle.

1       **SECTION 53.** 563.98 (1g) of the statutes is amended to read:

2            563.98 (1g) An organization licensed under this subchapter may renew the  
3            license by submitting a \$25 renewal fee ~~with the report under sub. (1)~~. All moneys  
4            received under this subsection shall be credited to the appropriation account under  
5            s. 20.505 (8) (j).

6           **SECTION 54.** 563.98 (1m) of the statutes is repealed.

7 SECTION 55. 563.98 (2) of the statutes is repealed.

8 **SECTION 56. Initial applicability.**

9           (1) This act first applies to an application for a raffle license filed with the  
10       department of administration on the effective date of this section.

11           **SECTION 57. Effective date.**

(1) This act takes effect on the first day of the 3rd month beginning after publication.

14 (END)

# O-Note

2013-2014 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-3259/P2ins  
EHS&MGG:kjf:rs

1            INSERT A

2            This bill clarifies that an organization with a Class A raffle license may conduct  
3            either single-event raffles or calendar raffles. Single-event raffles are defined as  
4            raffles for which one or more drawings from a single container are held and one or  
5            more prizes are awarded on one date at one location. The bill also prohibits an  
6            organization conducting a Class A raffle from selling shares of a single ticket unless  
7            certain requirements are met, including that not more than four shares of a single  
8            ticket be sold and that no discount be offered to the purchaser of more than one share  
9            of a raffle ticket.

10           INSERT 3-4

11           **SECTION 1.** 563.03 (12m) of the statutes is amended to read:

12           563.03 (12m) "Raffle" means a game of chance in which tickets or calendars are  
13           sold and ~~a drawing~~ one or more drawings for prizes ~~is~~ are held.

History: 1973 c. 156; 1975 c. 99; 1977 c. 426; 1979 c. 32, 34; 1983 a. 222; 1989 a. 147; 1991 a. 269 ss. 779s to 779w; Stats. 1991 s. 563.03; 1997 a. 27; 2005 a. 247; 2009 a. 28; 2011 a. 32.

14           INSERT 3-9

15           one or more drawings from a single container are held and one or more prizes  
16           are awarded on one date and at one location.

17           INSERT 5-14

18           A single-event raffle and a raffle conducted under a Class B license are each one  
19           raffle for purposes of this section.

20           INSERT 6-4

21           **SECTION 2.** 563.92 (1m) of the statutes is repealed and recreated to read:

22           563.92 (1m) (a) The department may issue a Class A license or a Class B license  
23           to any qualified organization that applies.

(b) Under a Class A license, an organization may do all of the following:

1. Conduct single-event <sup>✓</sup>raffles or a calendar raffle.
2. Sell some or all tickets on days other than the same day as the drawing.
3. Sell equal shares of a single ticket to one or more purchasers.

(c) Under a Class B license, an organization may do all of the following:

1. Conduct raffles for which all of the following apply:

a. One or more drawings are held and one or more prizes are awarded on the same date and at the same location.

b. A drawing for each prize or group of prizes is made from a container specific to each prize or group of prizes.

c. The ticket purchaser places his or her ticket in the container of his or her choice.

2. Sell tickets in either of the following ways:

a. On the same day as the drawing.

b. On more than one day if the organization distributes tickets to purchasers only at the event at which the drawing will take place.

INSERT 6-20

<sup>✓</sup>  
SECTION 3. 563.925 of the statutes is created to read:

**563.925 Liability.** (1) With respect to a raffle conducted under a Class A license, the department <sup>✓</sup>shall not be held responsible or liable in any dispute regarding the ownership or sale of a share of a ticket under s. 563.93 <sup>3i</sup>(2n).

(2) The department <sup>✓</sup>and the organization conducting a raffle under a Class B license shall not be held responsible or liable in any dispute regarding the ownership of a ticket if the purchaser of the ticket gives the ticket to another person to claim a prize on behalf of the purchaser under s. 563.935 (6) <sup>✓</sup>(a).

1 INSERT 7-3

2 563.93 (1m) (intro.) All raffle tickets and all calendars shall be identical in form  
3 and include:

4 563.93 (1m) (e) The date, time, and place of the each drawing ~~or drawings~~.

5 INSERT 8-13

6 SECTION 4. 563.93 (3) of the statutes is renumbered 563.93 (1e) and amended  
7 to read:

8 563.93 (1e) No person may sell a raffle ticket or calendar unless authorized by  
9 an organization with a Class A license.

History: 1977 c. 426; 1983 a. 222; 1987 a. 399; 1989 a. 147; 1991 a. 269 s. 782nd; Stats. 1991 s. 563.93; 1993 a. 152; 1995 a. 27 ss. 6976m to 6976t, 9123 (6pp); 1997 a. 27; 2001 a. 16, 109; 2007 a. 206; 2009 a. 315.

10 INSERT 8-19

11 SECTION 5. 563.93 (3i) of the statutes is created to read:

12 563.93 (3i) An organization conducting a raffle under a Class A license may not  
13 sell equal shares of a ticket unless all of the following apply:

14 (a) The organization does not sell more than 4 equal shares of one ticket.

15 (b) The organization does not offer a price discount to the purchaser of more  
16 than one share of a ticket.

17 (c) Each share of a ticket is identical in form to other shares and includes the  
18 organization's portion and the purchaser's portion.

19 (d) Each purchaser's portion of a ticket share includes all of the information  
20 required under subs. (1m) (a), (b), (c), (e), and (f) and (2g) (e).

21 (e) Each organization's portion of a share of a ticket includes the information  
22 required under sub. (2g) (e), an identification letter for each share of a ticket, and a  
23 place for the purchaser to enter the purchaser's name and address next to the share  
24 identification letter.

(f) Each prize is in the form of cash or a number of items that is equally divisible by the maximum allowable number of shares of a ticket.

(g) The organization directly delivers to each holder of a share of a winning ticket his or her share of the prize.

INSERT 10-5

SECTION 6. 563.93 (9) of the statutes is renumbered 563.93 (3i) (h) and amended to read:

563.93 (3i) (h) ~~If a person who holds a Class A license sells equal shares of a single ticket to one or more purchasers, the person shall, prior~~ The organization purchases, prior to the a raffle drawing for which the shares were of tickets have been sold, purchase any unsold shares of the a ticket that have not of which one or more shares have been sold.

History: 1977 c. 426; 1983 a. 222; 1987 a. 399; 1989 a. 147; 1991 a. 269 s. 782nd; Stats. 1991 s. 563.93; 1993 a. 152; 1995 a. 27 ss. 6976m to 6976t, 9123 (6pp); 1997 a. 27; 2001 a. 16, 109; 2007 a. 206; 2009 a. 315.

SECTION 7. 563.935 (1) of the statutes is amended to read:

563.935 (1) All raffle tickets shall be identical in form.

History: 1995 a. 27, 301; 1997 a. 27; 2009 a. 317.

INSERT 10-11

SECTION 8. 563.935 (4) of the statutes is amended to read:

563.935 (4) No person may sell a raffle ticket unless authorized by an organization with a Class B license.

History: 1995 a. 27, 301; 1997 a. 27; 2009 a. 317.

SECTION 9. 563.935 (6) (a) of the statutes is amended to read:

563.935 (6) (a) Except as provided in par. (b), the purchaser of a ticket must be present at the drawing to win a prize, unless the purchaser gives the ticket to another person who may claim the prize on behalf of the purchaser, but only if that other person is present at the drawing. ~~If the purchaser of the ticket gives the ticket to~~



1 ~~another person to claim a prize on behalf of the purchaser, the organization~~  
2 ~~conducting the raffle and the department shall not be held responsible or liable in~~  
3 ~~any dispute regarding the ownership of the ticket.~~

History: 1995 a. 27, 301; 1997 a. 27; 2009 a. 317.

4 **SECTION 10.** 563.935 (10) of the statutes is repealed.

5 **SECTION 11.** 563.94 of the statutes is amended to read:

6 **563.94 Profits.** All profits from raffles shall be used by the organization  
7 conducting the raffles to further the organization's purpose for existence and no  
8 salaries, fees or profit shall be paid to any other organization or individual in  
9 connection with the operation of a raffle. This section does not prohibit the printing  
10 of raffle tickets or calendars or the purchase of equipment or prizes for a raffle.

History: 1977 c. 426; 1983 a. 222; 1989 a. 147; 1991 a. 269 s. 782nh; Stats. 1991 s. 563.94.

11 **INSERT 12-8**

12 **SECTION 12.** 563.98 (2) of the statutes is amended to read:

13 563.98 (2) If a copy of the financial report is not filed or is not fully, accurately  
14 and truthfully completed, or if the fee specified in sub. (1g) is not paid, the  
15 department may refuse to renew a license or may suspend a license until the report  
16 in proper form has been filed or the fee is paid.

History: 1977 c. 426; 1979 c. 34 s. 2100 (45) (a); 1983 a. 222; 1989 a. 147; 1991 a. 269 s. 782pd; Stats. 1991 s. 563.98; 1995 a. 27 s. 9123 (6pp); 1997 a. 27; 1999 a. 5.

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-3259/P2dn  
EHS&MCC:kjf/rs

*Date*

Matt:

*93i* *Section Game* *(4)*  
This draft adds back in the ability to sell shares of raffle tickets under a Class A license, and incorporates the Administrative Code provisions related to ticket shares into proposed s. 563.93 (2m). Game s. 44.03 (h), Wis. Admin. Code, prohibits DOA liability in any dispute over ownership or sale of raffle ticket shares. In the draft this is combined with a similar prohibition on liability in ticket ownership disputes in a Class B raffle (currently s. 563.935 (6) (a)). These are combined and moved to a new section, proposed s. 563.925.

This draft also clarifies what a single-event raffle is, and reorganizes parts of subch. VIII of ch. 563 to clarify the differences between a Class A and a Class B raffle.

Let me know if you have any questions or if you would like additional changes.

Elisabeth H. Shea  
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State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-3259/P2 P3  
EHS&MGG:kjf:jm

RMNR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Today

Rezen

1 AN ACT *to repeal* 563.04 (11), 563.04 (14), 563.905 (intro.), 563.93 (2), 563.93  
2 (2m), 563.93 (4) (b), 563.93 (8), 563.935 (3), 563.935 (10), 563.98 (1) (e), 563.98  
3 (1c) and 563.98 (1m); *to renumber* 563.90; *to renumber and amend* 563.905  
4 (1), 563.905 (2), 563.93 (1), 563.93 (1s), 563.93 (3), 563.93 (4) (a), 563.93 (4m),  
5 563.93 (5), 563.93 (6), 563.93 (7), 563.93 (9) and 563.97; *to amend* 563.02 (1),  
6 563.03 (4m), 563.03 (12m), 563.04 (2), 563.04 (3), 563.05 (2), 563.05 (3), 563.05  
7 (4), 563.10, 563.91, 563.92 (2), 563.92 (4), 563.935 (1), 563.935 (4), 563.935 (6)  
8 (a), 563.94, 563.95, 563.98 (1) (intro.), 563.98 (1g) and 563.98 (2); *to repeal and*  
9 *recreate* 563.05 (title) and 563.92 (1m); and *to create* 563.02 (1m), 563.03  
10 (14w), 563.03 (17), 563.05 (4m), 563.925, 563.93 (2g) (intro.), (a), (b), (g) and (h),  
11 563.93 (2r), 563.93 (3e), 563.93 (3i), 563.93 (3m), 563.935 (1m), 563.97 (2) and  
12 563.98 (1e) of the statutes; **relating to:** the regulation of raffles.

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*Analysis by the Legislative Reference Bureau*

Under current law, a not-for-profit, religious, charitable, service, fraternal, or veterans organization that serves a geographic area that is limited to Wisconsin and

that has existed for at least one year or is chartered by a state or national organization that has existed for at least three years may obtain a license to conduct raffles. Also under current law, an organization with a Class A raffle license may sell raffle tickets up to 270 days before the day of a raffle drawing and may conduct either raffles or calendar raffles. A calendar raffle is one for which a drawing is held and a prize awarded on each date specified in a calendar. An organization with a Class A raffle license may charge up to \$100 for a raffle ticket and up to \$10 for each month covered by a calendar raffle. Under a Class B raffle, tickets may be sold only on the day of the drawing and may cost no more than \$10 each. An organization with a raffle license may conduct no more than 200 single-event raffles and no more than one calendar raffle in a 12-month period. Current law requires the Department of Administration (DOA) to promulgate rules relating to the conduct of raffles.

This bill clarifies that an organization with a Class A raffle license may conduct either single-event raffles or calendar raffles. Single-event raffles are defined as raffles for which one or more drawings from a single container are held and one or more prizes are awarded on one date at one location. The bill also prohibits an organization conducting a Class A raffle from selling shares of a single ticket unless certain requirements are met, including that not more than four shares of a single ticket be sold and that no discount be offered to the purchaser of more than one share of a raffle ticket.

This bill also makes various other changes to current law relating to the conduct of raffles, including the following: 1) removes limits on the prices of raffle tickets and calendars; 2) removes DOA's authority to promulgate rules relating to raffles; 3) increases to one year the time before a Class A raffle drawing during which tickets may be sold; 4) increases the number of raffles an organization may conduct in one year to 365; and 5) allows Class B raffle tickets to be sold before the day of a drawing if the tickets are not delivered to purchasers until the day of the drawing.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1.** 563.02 (1) of the statutes is amended to read:

2           563.02 (1) All phases of the conduct of bingo and raffles, except bingo games  
3 using free cards and donated prizes for which no payment of consideration is made  
4 by participants, should be closely controlled by appropriate laws and rules, which  
5 should be strictly and uniformly enforced throughout this state.

6           **SECTION 2.** 563.02 (1m) of the statutes is created to read:

1           563.02 (1m) All phases of the conduct of raffles should be closely controlled by  
2           appropriate laws, which should be uniformly enforced throughout this state.

3           **SECTION 3.** 563.03 (4m) of the statutes is amended to read:

4           563.03 (4m) “Calendar raffle” means a raffle for which a drawing is held and  
5           a prize awarded on each date specified in a calendar as a date upon which a prize will  
6           be awarded.

7           **SECTION 4.** 563.03 (12m) of the statutes is amended to read:

8           563.03 (12m) “Raffle” means a game of chance in which tickets or calendars are  
9           sold and ~~a drawing~~ one or more drawings for prizes is are held.

10          **SECTION 5.** 563.03 (14w) of the statutes is created to read:

11          563.03 (14w) “Single-event raffle” means a raffle for which one or more  
12          drawings from a single container are held and one or more prizes are awarded on one  
13          date and at one location.

14          **SECTION 6.** 563.03 (17) of the statutes is created to read:

15          563.03 (17) “Ticket” means an instrument that entitles the purchaser to one  
16          entry in a raffle other than a calendar raffle.

17          **SECTION 7.** 563.04 (2) of the statutes is amended to read:

18          563.04 (2) Conduct hearings on the suspension or revocation of a license for  
19          violation of this chapter or any applicable rules promulgated under it.

20          **SECTION 8.** 563.04 (3) of the statutes is amended to read:

21          563.04 (3) Promulgate rules under ch. 227 relating to the issuance, renewal,  
22          amendment, suspension, and revocation of bingo ~~and raffle~~ licenses and the conduct  
23          of bingo under this chapter.

24          **SECTION 9.** 563.04 (11) of the statutes is repealed.

25          **SECTION 10.** 563.04 (14) of the statutes is repealed.

1           **SECTION 11.** 563.05 (title) of the statutes is repealed and recreated to read:

2           **563.05 (title) Departmental duties; powers; prohibitions.**

3           **SECTION 12.** 563.05 (2) of the statutes is amended to read:

4           563.05 (2) The department may promulgate rules requiring holders of licenses  
5 issued under ~~this chapter~~ subch. III to post a notice in a conspicuous place where a  
6 bingo occasion ~~or raffle drawing~~ is conducted describing the procedures for filing a  
7 complaint against the holder.

8           **SECTION 13.** 563.05 (3) of the statutes is amended to read:

9           563.05 (3) The department may promulgate rules specifying the number of  
10 business days within which the department must review and make a determination  
11 on an application for a permit, ~~as defined in s. 227.116 (1g),~~ license that is issued  
12 under ~~this chapter~~ subch. III.

13           **SECTION 14.** 563.05 (4) of the statutes is amended to read:

14           563.05 (4) The department may promulgate rules defining relating to bingo  
15 that establish procedures to be used by the department for receiving, filing, and  
16 investigating complaints, for commencing disciplinary proceedings, and for  
17 conducting hearings ~~under this chapter~~.

18           **SECTION 15.** 563.05 (4m) of the statutes is created to read:

19           563.05 (4m) Notwithstanding s. 227.11, the department may not promulgate  
20 or enforce any rule that interprets the provisions under subch. VIII or any other  
21 provisions under this chapter that relate to raffles.

22           **SECTION 16.** 563.10 of the statutes is amended to read:

23           **563.10 Rules governing commingling of receipts restricted.**

24           ~~Notwithstanding ss. 227.11 (2), 227.24 (1) (a) and 563.04 (3), the~~ The department  
25 may not promulgate any ~~emergency~~ rule relating to the commingling of bingo and

1 raffle receipts ~~unless it can clearly establish that commingling will occur without~~  
2 ~~such rule and that the rule will effectively prevent commingling. The department~~  
3 ~~shall set forth any such finding in its proposed rule. If upon review under s. 227.40,~~  
4 ~~the court finds that the finding of fact upon which any emergency rule relating to~~  
5 ~~such commingling is based is unsupported by clear and convincing evidence, the rule~~  
6 ~~is invalid.~~

7 SECTION 17. 563.90 of the statutes is renumbered 563.90 (1).

8 SECTION 18. 563.905 (intro.) of the statutes is repealed.

9 SECTION 19. 563.905 (1) of the statutes is renumbered 563.90 (2) and amended  
10 to read:

11 563.90 (2) ~~“Local organization” means an organization whose~~ To qualify as a  
12 local organization under this section, an organization’s activities are must be limited  
13 to this state, to a specific geographical area within this state, or to a specific  
14 geographical area that is partly within this state and partly within another state.

15 SECTION 20. 563.905 (2) of the statutes is renumbered 563.90 (3), and 563.90  
16 (3) (intro.), as renumbered, is amended to read:

17 563.90 (3) (intro.) ~~“Service organization” includes all~~ To qualify as a service  
18 organization under this section, an organization must be one of the following:

19 SECTION 21. 563.91 of the statutes is amended to read:

20 **563.91 Limit.** No qualified organization under s. 563.90 may conduct more  
21 ~~than 200~~ <sup>365</sup> raffles or more than one calendar raffle during a year. ~~A single-event~~  
22 ~~raffle and a raffle conducted under a Class B license~~ <sup>or</sup> are each one raffle for purposes  
23 of this section.

24 SECTION 22. 563.92 (1m) of the statutes is repealed and recreated to read:

1           563.92 (1m) (a) The department may issue a Class A license or a Class B license  
2 to any qualified organization that applies.

3           (b) Under a Class A license, an organization may do all of the following:

4           1. Conduct single-event raffles or a calendar raffle.

5           2. Sell some or all tickets on days other than the same day as the drawing.

6           3. Sell equal shares of a single ticket to one or more purchasers.

7           (c) Under a Class B license, an organization may do all of the following:

8           1. Conduct raffles for which all of the following apply:

9           a. One or more drawings are held and one or more prizes are awarded on the  
10 same date and at the same location.

11           b. A drawing for each prize or group of prizes is made from a container specific  
12 to each prize or group of prizes.

13           c. The ticket purchaser places his or her ticket in the container of his or her  
14 choice.

15           2. Sell tickets in either of the following ways:

16           a. On the same day as the drawing.

17           b. On more than one day if the organization distributes tickets to purchasers  
18 only at the event at which the drawing will take place.

19           **SECTION 23.** 563.92 (2) of the statutes is amended to read:

20           563.92 (2) The fee for a raffle license shall be \$25 and shall be remitted with  
21 the application. A raffle license shall be valid for 12 months and may be renewed as  
22 provided in s. 563.98 (1g). The department shall issue the license within 30 days  
23 after the filing of an a complete application if the applicant qualifies under s. 563.90  
24 and has not exceeded the limits of s. 563.91. The department shall notify the  
25 applicant if the raffle license application is incomplete within 15 days after it is filed



1 or the application shall be considered complete. A complete license application that  
2 is not denied within 30 days after its filing shall be considered approved. All moneys  
3 received by the department under this subsection shall be credited to the  
4 appropriation account under s. 20.505 (8) (j).

5 **SECTION 24.** 563.92 (4) of the statutes is amended to read:

6 563.92 (4) ~~Proceedings to~~ The department may conduct proceedings to suspend  
7 ~~or revoke a~~ an organization's license to conduct raffles ~~shall be initiated by the~~  
8 ~~department pursuant to the rules promulgated under s. 563.05 (4) for failing to~~  
9 comply with the requirements of this subchapter.

10 **SECTION 25.** 563.925 of the statutes is created to read:

11 **563.925 Liability.** (1) With respect to a raffle conducted under a Class A  
12 license, the department shall not be held responsible or liable in any dispute  
13 regarding the ownership or sale of a share of a ticket under s. 563.93 (3i).

14 (2) The department and the organization conducting a raffle under a Class B  
15 license shall not be held responsible or liable in any dispute regarding the ownership  
16 of a ticket if the purchaser of the ticket gives the ticket to another person to claim a  
17 prize on behalf of the purchaser under s. 563.935 (6) (a).

18 **SECTION 26.** 563.93 (1) of the statutes is renumbered 563.93 (1m), and 563.93  
19 (1m) (intro.), (e) and (f), as renumbered, are amended to read:

20 563.93 (1m) (intro.) All ~~raffle~~ tickets and all calendars shall be identical in form  
21 and include:

22 (e) The date, time, and place of the each drawing ~~or drawings~~.

23 (f) A list of each prize to be awarded ~~which~~ that has a retail fair market value  
24 of \$500 \$1,000 or more.

1           **SECTION 27.** 563.93 (1s) of the statutes is renumbered 563.93 (2g) (e) and  
2 amended to read:

3           563.93 (2g) (e) ~~Each raffle ticket and each calendar sold by an organization~~  
4 ~~shall include a separate~~ Print an identification number, ~~printed~~ on both the  
5 purchaser's and the organization's portion of the ticket or calendar, The tickets or  
6 calendars shall be numbered consecutively in relation to the other tickets or  
7 calendars for the same drawing.

8           **SECTION 28.** 563.93 (2) of the statutes is repealed.

9           **SECTION 29.** 563.93 (2g) (intro.), (a), (b), (g) and (h) of the statutes are created  
10 to read:

11           563.93 (2g) (intro.) An organization that conducts a raffle under a Class A raffle  
12 license shall do all of the following:

13           (a) Prominently display, at each place where tickets may be purchased, a notice  
14 describing any state or federal law that imposes an age restriction on who may  
15 possess a prize that will be awarded in the raffle.

16           (b) Make a good faith effort to award all of the prizes offered for a raffle. If the  
17 organization is unable to award a prize, it may hold the prize and use it for future  
18 fund-raising purposes.

19           (g) Place the organization's portion of the ticket or calendar in the drawing  
20 container prior to the time of the drawing.

21           (h) Retain the organization's portion of each ticket or calendar sold for one year  
22 after the date on which the drawing is held and provide any of these portions to the  
23 department upon request.

24           **SECTION 30.** 563.93 (2m) of the statutes is repealed.

25           **SECTION 31.** 563.93 (2r) of the statutes is created to read:

1           563.93 (2r) An organization that conducts a calendar raffle shall do all of the  
2 following:

3           (a) Print identical drawing dates and identical prize amounts for each drawing  
4 on every calendar sold.

5           (b) After holding a drawing, replace the winning tickets into the container to  
6 allow the purchasers the chance to win again in subsequent drawings.

7           **SECTION 32.** 563.93 (3) of the statutes is renumbered 563.93 (1e) and amended  
8 to read:

9           563.93 (1e) No person may sell a raffle ticket or calendar unless authorized by  
10 an organization with a Class A license.

11           **SECTION 33.** 563.93 (3e) of the statutes is created to read:

12           563.93 (3e) An organization that conducts a raffle under a Class A raffle license  
13 may not do any of the following:

14           (a) Permit another organization or individual to use its license to conduct a  
15 raffle.

16           (b) Resell a ticket or calendar.

17           **SECTION 34.** 563.93 (3i) of the statutes is created to read:

18           563.93 (3i) An organization conducting a raffle under a Class A license may not  
19 sell equal shares of a ticket unless all of the following apply:

20           (a) The organization does not sell more than 4 equal shares of one ticket.

21           (b) The organization does not offer a price discount to the purchaser of more  
22 than one share of a ticket.

23           (c) Each share of a ticket is identical in form to other shares and includes the  
24 organization's portion and the purchaser's portion.

(d) Each purchaser's portion of a <sup>of a ticket</sup> ~~ticket~~ share includes all of the information required under subs. (1m) (a), (b), (c), (e), and (f) and (2g) (e).

(e) Each organization's portion of a share of a ticket includes the <sup>ticket identification number</sup> ~~information~~ <sup>the</sup> required under sub. (2g) (e), an identification letter for each share of a ticket, and a place for the purchaser to enter the purchaser's name and address next to the share identification letter.

(f) Each prize is in the form of cash or a number of items that is equally divisible by the maximum allowable number of shares of a ticket.

(g) The organization directly delivers to each holder of a share of a winning ticket his or her share of the prize.

**SECTION 35.** 563.93 (3m) of the statutes is created to read:

563.93 (3m) An organization that conducts a calendar raffle may not do any of the following:

(a) Sell any calendars after holding the first drawing.

(b) Change the dates of any drawings or the amounts of any prizes designated on the calendar after the first calendar is sold.

**SECTION 36.** 563.93 (4) (a) of the statutes is renumbered 563.93 (3e) (c) and amended to read:

563.93 (3e) (c) ~~Except as provided in par. (b), Offer~~ tickets for a proposed raffle ~~may not be offered~~ for sale more than ~~270 days~~ one year before the raffle drawing.

**SECTION 37.** 563.93 (4) (b) of the statutes is repealed.

**SECTION 38.** 563.93 (4m) of the statutes is renumbered 563.93 (2g) (c) and amended to read:

563.93 (2g) (c) ~~The organization that conducts a raffle under a Class A license shall provide~~ Provide the purchaser of a raffle ticket or calendar with the purchaser's

1 portion of the ticket or calendar at the time of purchase or at any time before the raffle  
2 drawing, ~~but need not provide it to the purchaser at the time of purchase.~~

3 **SECTION 39.** 563.93 (5) of the statutes is renumbered 563.93 (2g) (d) and  
4 amended to read:

5 563.93 (2g) (d) All Hold all raffle drawings ~~shall be held~~ in public.

6 **SECTION 40.** 563.93 (6) of the statutes is renumbered 563.93 (3e) (d) and  
7 amended to read:

8 563.93 (3e) (d) ~~All prizes shall be awarded. The~~ Require the purchaser of a  
9 ticket or calendar ~~need not to~~ be present at the drawing to win a prize.

10 **SECTION 41.** 563.93 (7) of the statutes is renumbered 563.93 (2g) (f) and  
11 amended to read:

12 563.93 (2g) (f) ~~If a raffle drawing is canceled, the organization shall refund~~  
13 Refund the raffle drawing receipts to the ticket or calendar purchasers if a raffle  
14 drawing is canceled. The organization may not deduct from the refund a handling  
15 charge or other amount relating to the expense incurred in the sale of a ticket or  
16 calendar. The organization may not reclaim any prize awarded in a drawing that has  
17 already been held at the time a calendar raffle is canceled.

18 **SECTION 42.** 563.93 (8) of the statutes is repealed.

19 **SECTION 43.** 563.93 (9) of the statutes is renumbered 563.93 (3i) (h) and  
20 amended to read:

21 563.93 (3i) (h) ~~If a person who holds a Class A license sells equal shares of a~~  
22 ~~single ticket to one or more purchasers, the person shall, prior~~ The organization  
23 purchases, prior to the a raffle drawing for which the shares ~~were~~ of tickets have been  
24 sold, purchase any unsold shares of the ~~a~~ <sup>e</sup> ticket that have not <sup>tickets</sup> of which one or more  
25 shares have been sold.

1           **SECTION 44.** 563.935 (1) of the statutes is amended to read:

2           563.935 (1) All raffle tickets shall be identical in form.

3           **SECTION 45.** 563.935 (1m) of the statutes is created to read:

4           563.935 (1m) If state or federal law places an age restriction on who may  
5           possess any <sup>e</sup>prize that will be awarded for a raffle, the organization conducting  
6           the raffle shall prominently display a notice describing the restriction at each place  
7           where tickets may be purchased.

8           **SECTION 46.** 563.935 (3) of the statutes is repealed.

9           **SECTION 47.** 563.935 (4) of the statutes is amended to read:

10          563.935 (4) No person may sell a raffle ticket unless authorized by an  
11          organization with a Class B license.

12          **SECTION 48.** 563.935 (6) (a) of the statutes is amended to read:

13          563.935 (6) (a) Except as provided in par. (b), the purchaser of a ticket must be  
14          present at the drawing to win a prize, unless the purchaser gives the ticket to another  
15          person who may claim the prize on behalf of the purchaser, but only if that other  
16          person is present at the drawing. ~~If the purchaser of the ticket gives the ticket to~~  
17          ~~another person to claim a prize on behalf of the purchaser, the organization~~  
18          ~~conducting the raffle and the department shall not be held responsible or liable in~~  
19          ~~any dispute regarding the ownership of the ticket.~~

20          **SECTION 49.** 563.935 (10) <sup>(intro.)</sup> of the statutes is repealed. ✓

21          **SECTION 50.** 563.94 of the statutes is amended to read:

22          **563.94 Profits.** All profits from raffles shall be used by the organization  
23          conducting the raffles to further the organization's purpose for existence and no  
24          salaries, fees or profit shall be paid to any other organization or individual in

INSERT  
12-21 →

1 connection with the operation of a raffle. This section does not prohibit the printing  
2 of ~~raffle~~ tickets or calendars or the purchase of equipment or prizes for a raffle.

3 **SECTION 51.** 563.95 of the statutes is amended to read:

4 **563.95 Denial of application; hearing.** Within 30 days after receiving  
5 written notification of a denial by the department of a license to conduct a raffle, an  
6 applicant may demand in writing a hearing before the department upon the  
7 applicant's qualifications and the merit of the application. ~~At the hearing, the~~  
8 ~~burden of proof shall be on the applicant to establish eligibility for a license.~~ If, after  
9 the hearing, the department enters an order denying the application, the order shall  
10 set forth in detail the reasons for the denial. Upon entry of such an order or upon  
11 expiration of the 30-day period during which a hearing may be demanded, the  
12 applicant's license fee shall be refunded. If the department approves the application,  
13 the department shall issue the license within 14 days after approval.

14 **SECTION 52.** 563.97 of the statutes is renumbered 563.97 (1) and amended to  
15 read:

16 563.97 (1) Each organization licensed to conduct raffles shall maintain a list  
17 of the names and addresses of all persons winning prizes with a ~~retail~~ fair market  
18 value of ~~\$100~~ \$600 or more, and the prizes won, for at least 12 months after each  
19 raffle is conducted. The list shall be available at reasonable times for public  
20 examination and shall be provided to the department upon request.

21 **SECTION 53.** 563.97 (2) of the statutes is created to read:

22 563.97 (2) An organization licensed to conduct raffles shall keep an electronic  
23 or paper copy of its license that is available for any person to inspect upon request  
24 at the event during which a drawing is held.

25 **SECTION 54.** 563.98 (1) (intro.) of the statutes is amended to read:

1           563.98 (1) (intro.) Each organization licensed under this subchapter shall, on  
2           or before the last day of the 12th month beginning after the date on which the license  
3           is issued and on or before that same date in each subsequent year, prepare and make  
4           available for inspection a report containing the following information in writing to  
5           ~~the department~~ regarding the raffles ~~which~~ that it has conducted during the previous  
6           12 months:

7           **SECTION 55.** 563.98 (1) (e) of the statutes is repealed.

8           **SECTION 56.** 563.98 (1c) of the statutes is repealed.

9           **SECTION 57.** 563.98 (1e) of the statutes is created to read:

10          563.98 (1e) The department shall request a copy of a report prepared under  
11          sub. (1) only upon the receipt of a complaint regarding the conduct of a raffle.

12          **SECTION 58.** 563.98 (1g) of the statutes is amended to read:

13          563.98 (1g) An organization licensed under this subchapter may renew the  
14          license by submitting a \$25 renewal fee ~~with the report under sub. (1).~~ All moneys  
15          received under this subsection shall be credited to the appropriation account under  
16          s. 20.505 (8) (j).

17          **SECTION 59.** 563.98 (1m) of the statutes is repealed.

18          **SECTION 60.** 563.98 (2) of the statutes is amended to read:

19          563.98 (2) ~~If a copy of the financial report is not filed or is not fully, accurately~~  
20          ~~and truthfully completed, or if the fee specified in sub. (1g) is not paid, the~~  
21          department may refuse to renew a license or may suspend a license until ~~the report~~  
22          ~~in proper form has been filed or the fee is paid.~~

23          **SECTION 61. Initial applicability.**

24          (1) This act first applies to an application for a raffle license filed with the  
25          department of administration on the effective date of this <sup>sub</sup>section.



**1 SECTION 62. Effective date.**

2           (1) This act takes effect on the first day of the 3rd month beginning after  
3       publication.

**4 (END)**

O-Note

**2013-2014 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-3259/P3ins  
EHS&MGG:kjf:jm

1

**INSERT A**

Under current law and rules promulgated by the Department of Administration (DOA), an organization with a Class A raffle license may conduct single-event raffles or a calendar raffle. Under current law, a calendar raffle is a raffle for which a drawing is held and a prize awarded on each date specified in a calendar. This bill defines a single-event raffle to be a raffle for which one or more drawings from a single container are held and one or more prizes are awarded on one date and at one location. Under current law, an organization with a Class B raffle license may conduct raffles in which more than one drawing may be made from more than one container, each container is specific to a prize or group of prizes, and ticket purchasers place their tickets in the containers of their choice. ✓

Under current law, a Class A licensee may charge up to \$100 for a raffle ticket and up to \$10 for each month covered by a calendar raffle. Under a Class B raffle, current law allows tickets to be sold for no more than \$10 each. This bill removes all limits on the prices of raffle tickets and calendars. ✓

Under current law, an organization with a raffle license may conduct no more than 200 raffles in a 12-month period. This bill increases this maximum to 365 raffles.

Under current law, an organization with a Class B raffle license may sell tickets for a raffle drawing only on the day of the drawing. Under this bill, a Class B licensee may sell tickets before the day of a drawing if the tickets are not delivered to purchasers until the day of the drawing.

Under current law, a Class A licensee may sell raffle tickets up to 270 days before the day of a raffle drawing. This bill extends this period to one year.

Current law allows a Class A licensee to sell equal shares of a single ticket to one or more purchasers. This bill allows this only if certain requirements are met, including that not more than four shares of a single ticket be sold and that no discount be offered to the purchaser of more than one share of a ticket.

Current law requires DOA to promulgate rules relating to the conduct of raffles. This bill removes that authority.

2

**INSERT 12-21**

3

**SECTION 1.** 563.935 (10) (a) of the statutes is renumbered 563.92 (1m) (c) 1. a. ✓

4

and amended to read:

5

563.92 (1m) (c) 1. a. ~~More than one drawing is~~ One or more drawings are held

6

and one or more ~~than one prize is~~ prizes are awarded on the same date and at the same

7

location.

✓  
1           **SECTION 2.** 563.935 (10) (b) of the statutes is renumbered 563.92 (1m) (c) 1. b.  
2       and amended to read:

3           563.92 (1m) (c) 1. b. ~~Drawings~~ A drawing for each prize or group of prizes ~~are~~ <sup>is</sup>  
4       made from a container specific to each prize or group of prizes.

History: 1995 a. 27, 301; 1997 a. 27; 2009 a. 317.

✓  
5           **SECTION 3.** 563.935 (10) (c) of the statutes is renumbered 563.92 (1m) (c) 1. c.  
6       and amended to read:

7           563.92 (1m) (c) 1. c. The ~~raffle~~ ticket purchaser places his or her ticket in the  
8       container of his or her choice.

History: 1995 a. 27, 301; 1997 a. 27; 2009 a. 317.

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-3259/P2 dn  
EHS:kjf:jm

P3

~~February 10, 2014~~

Due to substantial redrafting, we produced an internal redraft. This results in this version being a /P3 instead of a /P2.

Matt:

This draft adds back in the ability to sell shares of raffle tickets under a Class A license, and incorporates the Administrative Code provisions related to ticket shares into proposed s. 563.93 (3i). Section Game 44.03 (4) (h), Wis. Adm. Code, prohibits DOA liability in any dispute over ownership or sale of raffle ticket shares. In the draft this is combined with a similar prohibition on liability in ticket ownership disputes in a Class B raffle (currently s. 563.935 (6) (a)). These are combined and moved to a new section, proposed s. 563.925.

This draft also clarifies what a single-event raffle is, and reorganizes parts of subch. VIII of ch. 563 to clarify the differences between a Class A and a Class B raffle.

Let me know if you have any questions or if you would like additional changes.

Elisabeth H. Shea  
Legislative Attorney  
Phone: (608) 266-5446  
E-mail: [elisabeth.shea@legis.wisconsin.gov](mailto:elisabeth.shea@legis.wisconsin.gov)

There is further technical drafting that needs to be done in the Initial Applicability section. That, due to time constraints, is not in this draft and I wanted to get this draft to you today. I will add this to the next version.

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-3259/P3dn  
EHS:kjf:jm

February 11, 2014

Matt:

Due to substantial redrafting, we produced an internal redraft. This results in this version being a /P3 instead of a /P2.

This draft adds back in the ability to sell shares of raffle tickets under a Class A license, and incorporates the Administrative Code provisions related to ticket shares into proposed s. 563.93 (3i). Section Game 44.03 (4) (h), Wis. Adm. Code, prohibits DOA liability in any dispute over ownership or sale of raffle ticket shares. In the draft this is combined with a similar prohibition on liability in ticket ownership disputes in a Class B raffle (currently s. 563.935 (6) (a)). These are combined and moved to a new section, proposed s. 563.925.

This draft also clarifies what a single-event raffle is, and reorganizes parts of subch. VIII of ch. 563 to clarify the differences between a Class A and a Class B raffle.

There is further technical drafting that needs to be done in the Initial Applicability section that, due to time constraints, is not in this draft, and I wanted to get this draft to you today. I will add this to the next version.

Let me know if you have any questions or if you would like additional changes.

Elisabeth H. Shea  
Legislative Attorney  
Phone: (608) 266-5446  
E-mail: [elisabeth.shea@legis.wisconsin.gov](mailto:elisabeth.shea@legis.wisconsin.gov)

**Shea, Elisabeth**

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**From:** Spencer, Matt  
**Sent:** Tuesday, February 11, 2014 5:10 PM  
**To:** Shea, Elisabeth  
**Subject:** RE: LRB 3259

Thanks, we are hoping to get this out as soon as possible...so the sooner the better.

Matthew Spencer  
Office of Representative Mike Kuglitsch  
(608) 267-5158

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**From:** Shea, Elisabeth  
**Sent:** Tuesday, February 11, 2014 5:09 PM  
**To:** Spencer, Matt  
**Subject:** RE: LRB 3259

Will do. Do you need this by a particular time? We will need some time tomorrow to incorporate the changes, but I estimate you would have it by Thursday morning if not tomorrow afternoon.

Lis

---

**From:** Spencer, Matt  
**Sent:** Tuesday, February 11, 2014 5:01 PM  
**To:** Shea, Elisabeth  
**Cc:** Petrovich, Luke  
**Subject:** LRB 3259

We have reviewed the legislation and we are ready for a final draft. I have CC'ed Luke Petrovich in Sen. Leibham who will need a senate companion as well.

Thank you,

Matthew Spencer  
Office of Representative Mike Kuglitsch  
(608) 267-5158

## Shea, Elisabeth

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**From:** Spencer, Matt  
**Sent:** Wednesday, February 12, 2014 2:41 PM  
**To:** Shea, Elisabeth  
**Subject:** RE: Raffles

Correct

Matthew Spencer  
Office of Representative Mike Kuglitsch  
(608) 267-5158

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**From:** Shea, Elisabeth  
**Sent:** Wednesday, February 12, 2014 2:40 PM  
**To:** Spencer, Matt  
**Subject:** RE: Raffles

Ok, so no limit on any ticket/calendar?

---

**From:** Spencer, Matt  
**Sent:** Wednesday, February 12, 2014 2:39 PM  
**To:** Shea, Elisabeth  
**Subject:** RE: Raffles

It will actually be unlimited for Class B and class A.

Thanks

Matthew Spencer  
Office of Representative Mike Kuglitsch  
(608) 267-5158

---

**From:** Shea, Elisabeth  
**Sent:** Wednesday, February 12, 2014 1:21 PM  
**To:** Spencer, Matt  
**Subject:** RE: Raffles

So the price limit on Class A raffle tickets should be raised from \$100 to \$500. What about calendars (currently \$10 max) and Class B raffle tickets (currently \$10 max)?

---

**From:** Spencer, Matt  
**Sent:** Wednesday, February 12, 2014 1:08 PM  
**To:** Shea, Elisabeth  
**Subject:** FW: Raffles

Yes, that is correct.

Matthew Spencer  
Office of Representative Mike Kuglitsch

(608) 267-5158

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**From:** Shea, Elisabeth  
**Sent:** Wednesday, February 12, 2014 12:57 PM  
**To:** Spencer, Matt  
**Subject:** RE: Raffles

Matt,

Just to clarify item 2 below, your original request was to entirely remove any dollar limit on the price of raffle tickets, i.e. repeal ss. 563.93 (2) and 563.935 (3), which is what the draft does now. Do you want to raise the price limit instead?

Lis

---

**From:** Shea, Elisabeth  
**Sent:** Wednesday, February 12, 2014 12:45 PM  
**To:** Spencer, Matt  
**Subject:** RE: Raffles

Hi Matt,

Items 2 and 3 were taken care of in the bill but inadvertently left in the document I created that incorporated all of the changes. Sorry for the confusion.

I'll make the change in item 1.

Lis

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**From:** Spencer, Matt  
**Sent:** Wednesday, February 12, 2014 12:21 PM  
**To:** Shea, Elisabeth  
**Subject:** Raffles

1 - 563.90 (3) " an organization CAN be one of the following:". Not MUST be one of the following. Many of our groups qualify as service organizations and are not parties or unions.

2 - 563.93 (2). Raise ticket price from \$100 to \$500 per our request and to match Leibham bill.

3 - 563.98 (1g). Delete "with the report under sub (1)". In sub (1) we make clear the report now is NOT submitted but just available if requested.

Matthew Spencer  
Office of Representative Mike Kuglitsch  
(608) 267-5158